

Town of Westford



Fiscal Year 2014 Budget Message

Jodi Ross
Town Manager
November 27, 2012

Goals for FY2014 Budget

- Introduce a new budget format
 - Mission statements, organization charts, narrative
 - Includes public from beginning of process
- Maintain current level of services
 - Address police and permitting dept staffing levels
 - Create centralized building maintenance budget
- Sustain town assets through capital investment and preventive maintenance
- Contribute to OPEB account
- Maintain reserves above minimum recommended levels to prepare for pending contractual obligations in FY15

Budget Impacts from FY 2012

- Switched from MIAA to Tufts (saved \$524,000)
- Settled 11 of 12 contracts for 0% COLA - froze steps in FY12 and/or FY13
- Adopted Meals & Hotel Excise tax – additional \$427,145
 - \$265,698 in meals and \$533,470 in hotel tax - add'l \$372,024
- Local Revenues increased by \$722,318
- State Aid level in FY12
- New Growth \$1,210,815 - \$310,815 over projections

FY2013 Budget Highlights

- Town budgets decreased by 0.40%, school budget increased by 2.50%
- School resource officers for N.V.T.H.S. & WA
- 11 union contracts with 0% COLA and no step/ health insurance plan design changes
- Bonded \$315,000 for FY13 capital
- State aid increased by \$369,029
- Total cash reserves \$7,583,838 (8.5% of budget)

Health Insurance Overview

- Enrollment as of Nov 1, 2010 967
- Enrollment as of Nov 1, 2011 964
- Enrollment as of Nov 1, 2012 997

- Approximately 67% of eligible employees on town's plan
- Switched to Tufts Health Plan – Nov 1, 2011
- Increased co-pays, plan design changes – Nov 1, 2012

- FY10 Actual Expense \$6,455,172
- FY11 Actual (14.3% increase) \$7,378,422
- FY12 Actual (8.9% increase) \$7,724,048
- FY13 Budget (12.7% rate increase 11-1-12) \$9,438,000
- FY14 Budget (7.4% increase) \$10,131,521

- FY14 Budget allows for a 15% increase on 11-1-13 (less conservative)

FY 2014 Budget Guidelines

- Requested a “level-services” budget for town departments
- Schools received 2.50% and towns a net 2.04% increase
- Funded \$1,500,000 in Capital Appropriations
- Planned conservatively for state aid (level funded)
- Planned for \$900,000 new growth
- Projected 2 ½% increase in local revenues

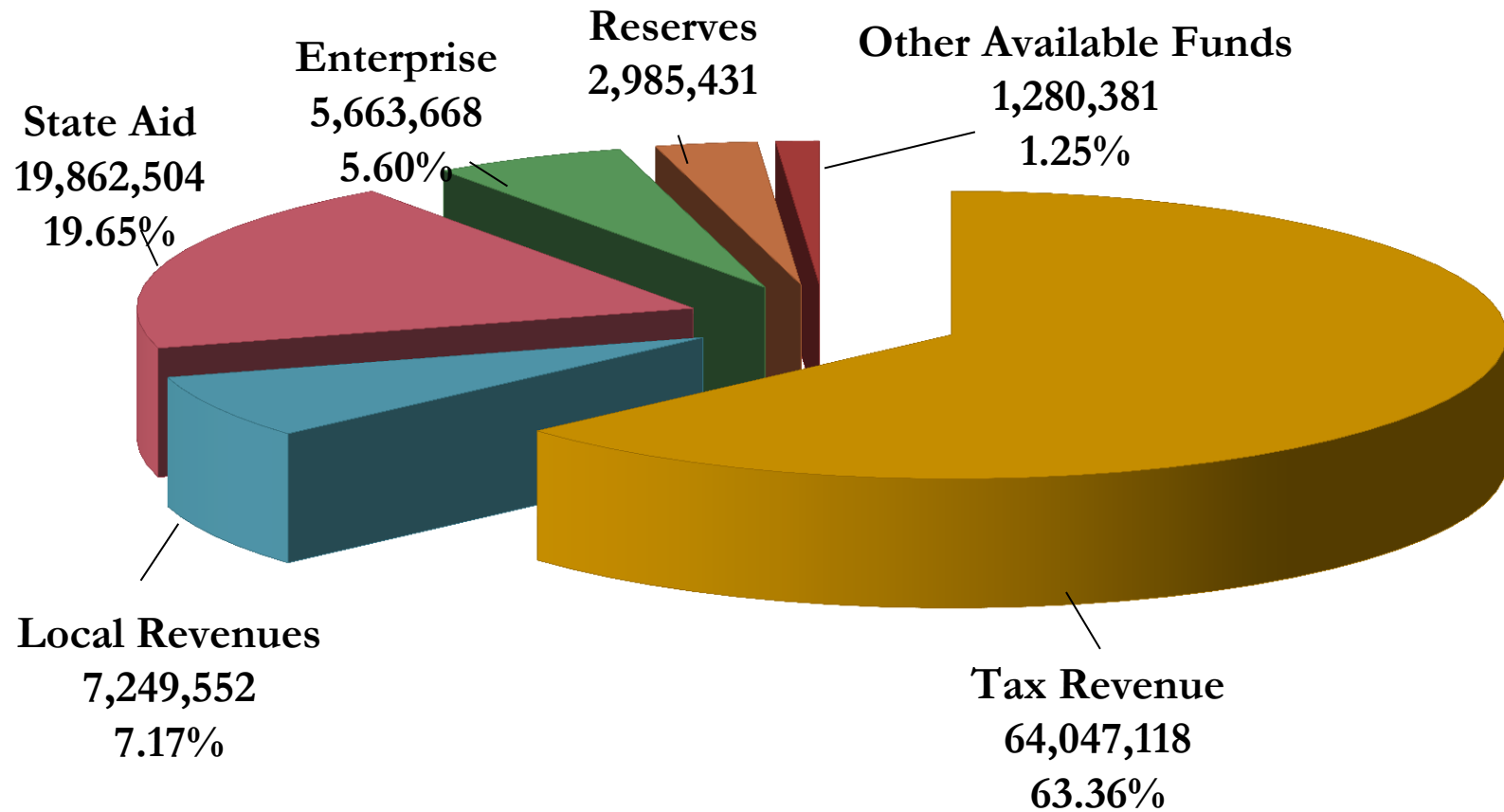
FY14 Projected Revenues

Tax Revenue	\$64,047,118
Local Revenue	7,249,552
State Aid	19,862,504
Enterprise Revenue	5,663,668
Reserves Applied	2,985,431
Other Available Funds	1,268,381
Total	\$101,088,654

FY 2014 Projected Revenues

- Projected Reserves of \$5.63 million (6.1%)
- New Growth opportunities with Cornerstone, Red Hat, Graniteville Woods, & Tadmuck Meadows
 - \$900,000 new growth estimate
- Local Revenue projected increases of 2.5%
 - Motor vehicle excise
 - Local options excise
 - Licenses & permits
- Level State Aid projection

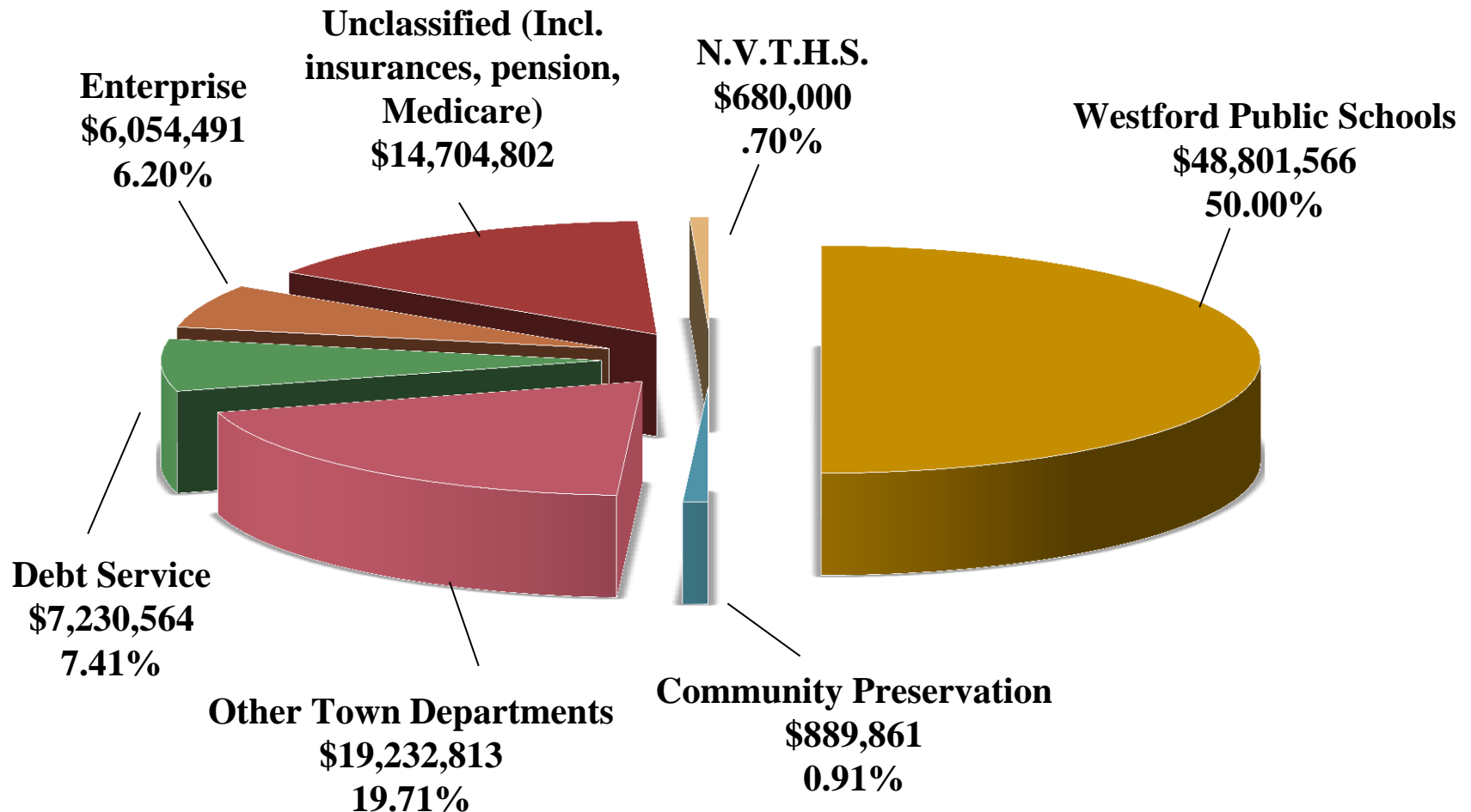
FY14 Estimated Revenues



FY2014 Projected Expenditures

Westford Public Schools	\$48,801,566
Community Preservation	889,861
Other Town Departments	19,232,813
Debt Service	7,230,564
Enterprise	6,054,491
Unclassified	14,704,802
N.V.T.H.S.	680,000
Other Amounts to be Raised	3,494,557
Total	101,088,654

FY2014 Operating Budget



FY 2014 Budget Highlights

- Westford Public Schools – additional \$1,210,895
- Employees benefits & general insurance - \$1,120,895
- Additional police personnel - \$193,260
 - 2 Patrolmen & N.V.T.H.S. School Resource Officer
 - N.V.T.H.S. reimbursement is general fund revenue
- Reallocated police cruisers from capital to operating budget - \$88,424
- Increased funding for OPEB – add'l - \$50,000
- Increased Veterans' Services Expenses - \$48,469
 - 75% reimbursement from state

FY 2014 Budget Highlights

- Increased staffing hours in building and permitting - \$46,287
- Created Public Bldgs. & Property Maint. Budget - \$10,000
 - 50% Facilities Technician from 410 Engineering
 - 20% Maintenance Worker from 192 Town Hall
 - \$5,500 in expenses from 123 Town Manager
- Emergency Mgmt. Shelter Supplies trailer - \$7,500
- Recreation Enterprise applying \$1,100,500 to balance budget
- Ambulance Enterprise applying \$650,000 to balance budget

Capital Appropriations

- Capital Planning Committee
 - Documents 1-5 year capital requests
 - \$20M+ in requests from FY14 to FY18
- FY14 Recommendation - \$2.4 million
 - \$1.5 million budgeted for “pay as you go”
 - Will recommend to borrow for the larger capital items
 - Debt Service budget allows for \$139,812 in additional borrowing for FY14
 - CPC official recommendation will occur on December 7
 - Capital Stabilization balance is \$189,288

Public Facilities

- 199 Public Buildings & Property Maintenance budget created to centralize & address town-wide facility issues
- Permanent Town Building Committee presented preliminary recommendations for existing town facilities
 - Broadway fire station, Technology building, 35 Town Farm Rd.
- Requesting BOS support for capital funding of town-wide facility condition assessment

Budget Variables

- Health Insurance
- FY year-end tax rate recap
- Collective bargaining agreements
 - Only teachers settled in FY14
 - IAFF in arbitration
- State aid (level budgeted for FY14)
- Middlesex Retirement
- N.V.T.H.S. Assessment

Budget Variables

- OPEB funding
- Litigation – Newport Materials
- Ongoing perchlorate remediation expenses
- Storm response & cleanup expenses
- Snow & ice deficits
- Municipal and school sewage treatment plants
- Stormwater regulations
- New Growth – Cornerstone, Red Hat, Graniteville Woods, Tadmuck Meadows

Budget Solutions Task Force

- Installation of cell tower antennas on town property
- Reduce costs of solid waste collection
- Debt Exclusion Possibilities
- Override Scenarios

Future Challenges

- Health insurance
- Collective bargaining agreements
 - Double step for teachers to impact FY15 budget
 - Fire Fighters (IAFF) arbitration
- Infrastructure and facility-related capital requests and building maintenance needs
- Fluctuations in fuel prices
- OPEB

Conclusion

Thank you to our board members, department heads, employees, and volunteers for your creativity, collaboration, countless contributions, and most of all, for your unwavering dedication and commitment to our community.